



PRESS RELEASE

For Immediate Release: June 24, 2004

Contact: Harald Stavenas (HASC) (202) 225-2539
Sarah Shelden (Hefley) (202) 225-4422

Opening Statement of Chairman Joel Hefley
Hearing on Contractor Support in the Department of Defense

The Department of Defense relies on three major workforce groups to perform its mission. The primary group is the military personnel, including active, reservists and the guard. The second is the civilian workforce. The third, the focus of the hearing, is the contractor workforce. This latter group provides a significant level of effort to the Department of Defense. Support or service contractors provide a myriad of services, including maintenance of weapon systems, logistics support, base operating support, linguists and operation of communication networks, to name a few. The Department of Defense policy is to rely on the most effective mix of active, reserve, civilian and contract resources to fulfill peacetime and wartime missions.

In fiscal year 2003, the Department procured approximately \$209 billion of equipment, items and services. Of this amount, \$90.5 billion was for supplies and equipment, \$76.2 billion for services, \$33.1 billion for research and development and \$9.2 billion for construction. The focus of the hearing will be on the range of services purchased with the \$76.2 billion and the management and oversight of these services.

Many of the questions the members have today came to light as the use of contractors in Iraq became apparent. The subcommittee is interested in how the Department procures such services; the policy on management and oversight; and whether the Department should change some of these policies. Finally, what are the lessons learned from Iraq with respect to the use of contractors on the battlefield?

###